(a) whether it is a fact that Government are being insisted on by Russia for paying in dollars for purchase of two light water nuclear reactors of "V.V.E.R. 1000 MW Type";

(b) if so, what is Government's stand thereto;

(c) whether there would be any further bilateral negotiations in this regard; and

(d) what is the outcome of the visit of AEC Chairman to Russia in this connec tion ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRIMATI MARGARET ALVA) : (a) The Inter-Governmental Agreement (IGA) with the erstwhile Soviet Union has provision for some payment in U.S. Dollars.

(b) In case any change is proposed in the provisions of the IGA a re-evaluation of the economic viability of the project would have to be undertaken.

(c) Bilateral negotiations are expected to be held on the IGA, in view of the developments in the erstwhile Soviet Union, though no firm dates have been fixed as yet for such negotiations.

(d) The recent visit of Chairman, AEC to Russia was in connection with the Joint Council Meeting of the Integrated Long Term Programme (ILTP) of cooperation in science and technology between India and Russia. The visit was used by Chairman, AEC to have informal discussions on the Kudankulam Project. The discussions were useful.

1117. *[Transferred to the 12th May,* 1992]

Cash Losses of IDFL

1118. SHRI SUNIL BASU RAY: Will the PRIME MINISTER be pleased to state :

(a) whether Audit has made any report on the diversion of Capital funds for four years i.e. from 1986-97 to 1989-90, for meeting cash losses of the IDPL on certificates contrary to the facts;

(b) if so, whether Government would lay the report on the Table of the House and the action that is proposed to "be taken against those responsible for making wrong declarations and thus misleading the Parlia ment; and

(c) what action is proposed to be taken by Government to ensure that such inci dents are not repeated?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) An Audit inspection report for the period from October, 1989 to March, 1991 contains the observation that the management of IDPL had diverted funds, released by the Government for Capital expenditure, during the years 1987-88 to 1989-90. It is also mentioned therein that the diversion, according to the management, had to be made for making payments to the pressing creditors for supply' and services, making of statutory payments, meeting increased wage bill and increased tariff for electricity etc. as the company had been incurring cash losses.

(b) If and when the observation made in the Inspection Report is finalised and included in. the report of the Comptroller and Auditor General of India it would be laid on the Table of the House as per prescribed procedure.

(c) Indian Drugs & Pharmaceuticals Ltd. had been incurring heavy cash losses over the years and it had acute shortage of working capital and funds for payment to pressing creditors for supplies <v services, statutory payments, wage bills, overdue electricity bills, Bank interest etc. The company had no alternative but to temporarily fund a part of the cash loss by using the Plan funds which would be recouped once the capital restructuring of the company is approved. Despite continuing severe constraints of working capital, even the temporary use of plan funds for meeting cash losses without appropriate approvals has been discontinued.